COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Investigation By The Department Of)	
Telecommunications And Energy On)	
Its Own Motion Regarding The)	
Circumstances Under Which An Electric)	D.T.E. 04-92
Company Must Seek Department Approval)	
Pursuant to M.G.L. c.164 §72 Prior to)	
Transmission Line construction or alteration)	

COMMENTS OF enXco, Inc./HOOSAC WIND PROJECT

These comments of enXco, Inc./Hoosac Wind Project (hereinafter referred to as "Hoosac Wind" or "the project") respond to some of the questions posed in the Department's Notice of Inquiry (NOI) in the above-captioned proceeding. Inasmuch as Hoosac Wind is a not a transmission company, these comments do not address the questions posed in the NOI to transmission providers. Further, given that the project will not require a taking of property by eminent domain, these comments do not address the eminent domain questions contained in the NOI.

I. HOOSAC WIND

Hoosac Wind is a proposed renewable energy facility comprised of 20 wind turbine generators with a capacity of up to 30 megawatts to be located on private land and municipally-owned land in the towns of Florida and Monroe, Massachusetts. It will interconnect with the National Grid 69 kilovolt transmission system through an approximate 5.5 mile kilovolt sub-transmission line that will be constructed and owned

by the Massachusetts Electric Company (MECO), but paid for by enXco. This line will use existing easements and public rights-of-way along its entire length. Approximately 4 miles of this line will also be used by MECO as a distribution line for its residential customers along the route. The project will also involve the construction of a substation to be used exclusively for the project. The substation will be owned by National Grid but paid for by enXco.

When the project becomes operational, it will represent the largest operational wind facility in New England and will provide electricity and Renewable Energy Credits to customers on the ISO-New England electric system. The project has obtained all major permits from local and state authorities. One of these, a Superceding Order of Conditions issued by the state Department of Environmental Protection is currently undergoing an adjudicatory appeal process. The project has also received notification from the Secretary of Environmental Affairs that it does not require the preparation of an Environmental Impact Report.

II. COMMENTS ON NOI QUESTIONS A. 1 THROUGH A. 3.

Hoosac Wind generally concurs with the comments submitted by Massachusetts Electric Company in response to the first three questions in the NOI. More specifically, Hoosac Wind submits that the language in Section 72 of M. G. L. Chapter 164 which provides for the review of electric transmission lines should not be construed to require review of interconnection facilities, substation tap lines or other lines needed to connect a generating facility to the local distribution network if those lines are at or below the voltage level designated as distribution facilities by the local distribution company

applying the FERC seven-factor test. As Massachusetts Electric Company's comments indicate, the "bright line" formula for determining which of its lines are subject to Section 72 approval should be those that operate at a voltage level typically equal to or greater than 69,000 volts and that run from generating facilities across interconnected high voltage lines to the point of entry into a distribution system.

Question A. 3 of the NOI asks whether from a policy perspective there are voltage, length or other considerations that should dictate when a Section 72 filing is required. Hoosac Wind believes that it is consistent with sound public policy to bring renewable energy projects on line as expeditiously as possible. This is consistent with the policy of encouraging the development of renewable energy projects reflected in, *inter alia*, M.G.L. ch. 25A §11F, which establishes the Commonwealth's renewable energy portfolio standards. Thus, to the extent that new or upgraded lines are necessitated by the construction of a renewable energy facility, those lines should be exempt from the Section 72 process so long as they fall within the voltage limits of the distribution lines designated as such by the distribution company. In addition, facilities other than power lines that are necessary for the interconnection of a generating facility with either the local distribution network or the bulk power system should also be exempt from the Section 72 process as they cannot be characterized as "lines" within the meaning of that statute.

Hoosac also recommends that the Department adopt procedures that would enable it to exercise its expertise to allow for waivers or exemptions from such process for those facilities that fall within the purview of Section 72, but which are necessitated by the construction of renewable energy resources. As the comments filed by the Unitil

Companies point out, waivers or exemptions could be granted when the Department determines that such projects do not entail a substantial, potentially dangerous or costly transmission line or structure that could be seriously damaging to communities where such line or structure is to be located.

Lastly, in the event that a Section 72 proceeding is triggered by the proposed construction of a renewable energy facility, public policy warrants that such review be conducted as expeditiously as possible. A lengthy review process may deter the development of renewable energy resources that are privately financed by investors who require aggressive timetables for project completion. Thus a streamlined process for new transmission line construction or substantial transmission upgrades should be applied in cases involving renewable energy projects.

III. CONCLUSION

Hoosac Wind respectfully requests the Department adopt clear standards for determining when a linear project's proponent is required to seek Section 72 approval and suggests that such standards exempt from such approval process any lines that operate below 69 kV and any nonlinear facilities that connect a generator to either the transmission grid or the local distribution network. In addition, Hoosac Wind recommends that any guidelines on this subject enable the Department to exercise its authority to grant a waiver for facilities proposed in connection with renewable energy projects. Lastly, Hoosac recommends that the Department adopt provisions which specify that in the event that a Section 72 proceeding is triggered by a proposed

renewable energy facility, any such proceeding be completed in an expedited fashion and within a specified period of time, e.g. not later than 90 days from the filing of a petition for Section 72 approval.

Respectfully submitted,

ENXCO, INC./HOOSAC WIND PROJECT

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Dated: January 5, 2005

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